

## Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-01 OMB-01 CEA-01 L-02 H-01 COME-00

XMB-02 FRB-03 AGR-05 CIAE-00 DODE-00 INR-07 NSAE-00

PA-01 USIA-06 PRS-01 IGA-01 /078 W  
----- 061732

P R 261812Z FEB 75

FM AMEMBASSY SAN SALVADOR

TO SECSTATE WASHDC PRIORITY 7502

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY SAN JOSE

AMEMBASSY TEGUCIGALPA

AMEMBASSY CARACAS

C O N F I D E N T I A L SAN SALVADOR 0784

E.O. 11652: GDS

TAGS: EFIN; IDB; ES

SUBJECT: VENEZUELAN TRUST FUND AGREEMENT WITH INTERAMERICAN  
DEVELOPMENT BANK

REF: STATE 040656

GUATEMALA ALSO FOR ROCAP

1. ECONOFF CONVEYED POINTS CONTAINED IN REFTEL TO ECONOMIC  
MINISTER HIDALGO QUEHL AT FIRST POSSIBLE TIME, FEBRUARY 26.  
THE MINISTER WAS AWARE OF THE SCHEDULED MEETING OF THE COMMIT-  
TEE OF THE IDB BOARD BUT WAS NOT AWARE OF THE GOV DECISION  
AGAINST ANY CONCESSIONAL LENDING WITH THE \$500 MILLION. HE  
AGREED FULLY WITH USG CONCERNS AND SAID HE WOULD TELEPHONE  
IDB DIRECTOR JOSE LUIS MONTIEL AND DISCUSS HOW BEST TO  
INFLUENCE THE FEBRUARY 27 MEETING. HAD HE KNOWN THAT SOME-  
ONE FROM MANAGUA WOULD BE ATTENDING HE SAID HE WOULD CONTACT  
THAT PERSON BUT FAILING THAT HE HOPED HE COULD REACH MONTIEL.  
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2. MINISTER HIDALGO QUEHL SANID THAT IN ANY CASEAN IMMINENT TRIP TO VENEZUELA TO CONCLUDE THE COFFEE RETENTION FINANCING SCHEME WOULD PROVIDE AN OPPORTUNITY FOR HIM TO EXPRESS THE CONCERNS OF THE GOES TO VENEZUELA THAT IDB RESOURCES MAINTAIN AN ADEQUATE BALANCE OF CONCESSIONAL AND HARDER FUNDS AND THAT GOV POLICY NOT SET AN ADVERSE PRECEDENT FOR THE US CONGRESS.

3. OUR CONCERNS WERE ALSO DISCUSSED WITH A KEY CENTRAL PLANNING OFFICE OFFICIAL. THE FORTUITOUS RESULT WAS THAT THIS OFFICIAL RAISED THE ISSUE, EXPRESSING GOES CONCERNS, WITH THE GOV TEAM VISITING FEBRUARY 24 IN CONNECTION WITH THE PETROLEUM REBATE ARRANGEMENT (SEE SAN SALVADOR 0763). THE TEAM LEADER, THE VENEZUELAN CONGRESS PRESIDENT, SAID HE WOULD RAISE THE MATTER DIRECTLY WITH PRESIDENT PEREZ.  
CAMPBELL

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NNN

## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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